

ABSTRACT

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THE STUDY OF LOAN TO DEPOSIT RATIO, DEBT TO TOTAL ASSET, CAPITAL ADEQUACY RATIO AND ASSET SIZE TO THE PROFITABILITY OF COMMERCIAL BANKS IN INDONESIA AND CHINA.

(xi + 51 pages; 2 figures; 39 tabels)

The purpose of the research is to compare the impact of LTD, DTA, CAR and AS on commercial banks' performance in Indonesia and China. The study chose 13 commercial banks from Indonesia and 12 from China for the period of 5 years, from 2015 to 2019 by using E views to analyses. In addition, we employed a data panel regression analysis to analyze the secondary data that was obtained from the financial statements of these commercial banks. In this study, we use ROA and ROE as our Independent variables to reflect the bank performance, and four dependent variables: loan to deposit ratio, debt to asset ratio, capital adequacy and asset size to reflect the capital structure. The results find that only AS has a positive significant influence on ROA and ROE in the study of Indonesian banks by using random effect model, while DTA and AS have negative significant impact on ROA and CAR has a positive significant impact on ROA, LTD and AS has a negative significant impact on ROE in the study of China.

Reference :47(1958-2020)

Key words : LTD, DTA, CAR , AS, commercial bank, bank performance